



# ENERGY ASSURANCE DAILY

Friday, December 15, 2006

## ***Major Developments***

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### **Severe Storms Knock Out Power to 1.8 Million Customers in Pacific Northwest Dec. 14-15**

**[See Pacific Northwest Storms Situation Report](#)**

**[http://www.oe.netl.doe.gov/hurricanes\\_emer/pnw\\_storm.aspx](http://www.oe.netl.doe.gov/hurricanes_emer/pnw_storm.aspx)**

## ***Electricity***

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### **Severe Storms Knock Out Four BPA High-Voltage Power Lines in Oregon and Washington December 15**

According to Bonneville Power Administration, high winds idled four high-voltage power lines serving Oregon's coastal communities and one serving Washington.

### **Power Outage Delays Flights at Seattle-Tacoma International Airport December 15**

Flights were delayed at Seattle-Tacoma International Airport after the power outage hindered ticketing, baggage processing and other services. "It will probably take the whole day for the airport to recover," airport spokeswoman Rachel Garson said in an interview at about noon December 15. Power at the airport went out at about 1:30 a.m. local time and stayed down for about eight hours in parts of the facility.

**<http://www.bloomberg.com/apps/news?pid=20601103&sid=aTtCLBBXonQc&refer=us>**

### **California Energy Commission Accepts Application for Proposed 660 MW Generating Station**

The California Energy Commission accepted on December 15 an application from E&L Westcoast LLC for its proposed 660-megawatt Colusa Generating Station. The acceptance begins the commission's licensing review process. The proposed combined-cycle natural gas-fired Colusa Generating Station will be owned and operated by Pacific Gas & Electric (PG&E). Construction of the project is scheduled to begin in early 2008 and could be generating electricity by the spring of 2010.

**[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7545880](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7545880)**

### **Exelon's 867 MW Dresden Nuke Unit 3 Reduced to 72 Percent of Capacity in Illinois December 15**

The unit was reduced so that repairs could be made on a valve.

Bloomberg, 11:56 December 15, 2006

### **Update: SCE's 1,100 MW San Onofre Nuke Unit 3 in California Restart Expected December 15**

Reuters, 21:42 December 14, 2006

### **Update: PG&E's 1,087 MW Diablo Canyon Nuke Unit 2 in California Restarted December 14**

According to the company, the unit reconnected to the grid by 10:00 a.m. on December 14 but will operate at 50 percent of capacity until at least December 19.

Reuters, 21:42 December 14, 2006

## **Update: Exelon's 810 MW Three Mile Island Nuke Unit 1 Exiting Outage in Pennsylvania December 15**

Reuters, 07:12 December 15, 2006

## **Update: Constellation's 873 MW Calvert Cliffs Nuke Unit 1 Exiting Outage in Maryland December 15**

The unit which shut on December 12 during a maintenance procedure had ramped up to 10 percent of capacity by early December 15.

Reuters, 07:10 December 15, 2006

## ***Petroleum***

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### **Fog Shrouds Texas and Louisiana Gulf Coast, Many Ships Delayed**

#### **Houston Ship Channel Reopened to Limited Traffic**

Although the Coast Guard partially reopened the Houston Ship Channel late Friday morning, the forecast is for dense fog to return on an intermittent basis over the next several days. Some 77 ships were reported backed up awaiting access to the Channel. In addition, that the Calcasieu Ship Channel serving Lake Charles, and the Sabine Channel serving Port Arthur also had been closed due to heavy fog.

Reuters, 11:50 December 15, 2006

Reuters, 12:12 December 15, 2006

Reuters, 10:20 December 15, 2006

Reuters, 07:08 December 15, 2006

Bloomberg, 12:39 December 15, 2006

Dow Jones Newswires, 11:37 December 15, 2006

Reuters, 16:15 December 14, 2006

### **LOOP Not Affected by Fog**

Loading at the Louisiana Offshore Oil Port (LOOP), the deep water oil import facility in the Gulf of Mexico, has not been affected by the fog covering much of the Gulf Coast. According to a LOOP representative, fog is not expected to cause any problems for the facility at this time.

Reuters, 13:41 December 15, 2006

### **DOE Monitoring Gulf Coast Situation to Determine if SPR Release Needed**

Industry experts have expressed concern that should the foggy conditions last for several days, refiners may be forced to cut production. According to a Department of Energy (DOE) representative, the situation is being monitored to determine if a release of oil from the Strategic Petroleum Reserve (SPR) will be necessary. However, the spokesman noted that fog is not unusual at this time of year and "the industry is generally prepared for this not uncommon hiccup in delivery."

Reuters, 10:09 December 15, 2006

### **Fire in Process Unit at 50,000 b/d Calumet Refinery in Louisiana December 14**

The fire erupted after a malfunction caused partially processed crude oil to spill. Personnel shut off valves leading to the pipe, and the fire was allowed to burn itself out over the course of about 45 minutes.

OPIS, 07:08 December 15, 2006

### **SRU Goes Offline at Shell's 340,000 b/d Deer Park Refinery in Texas December 14**

Adjustments that personnel were making to a sulfur recovery unit caused the unit to go offline. The unit was expected back on line today.

OPIS, December 15, 2006

### **Sour Gas Leak Occurs at Valero's 130,000 b/d Houston, Texas Refinery December 15**

Valero reported a sour gas leak at its Houston refinery due to a malfunctioning relief valve. The sour gas was routed to flares, and refinery operations were not affected.

OPIS, December 15, 2006

## **Update: Reformer Unit at BP's 460,000 b/d Texas City Refinery Seen Restarted this Weekend - Sources**

Sources familiar with the situation anticipate that the unit will be returned to service during the coming weekend.  
Reuters, 11:15 December 15, 2006

## **Militants Attack Shell Oil Station in Nigeria December 14**

On December 14, militants attacked Shell's Nun River oil flow station in the Niger Delta, forcing the company to shut in oil output of 12,000 b/d. Forty workers were taken hostage in the attack.

<http://www.platts.com/Oil/News/8789226.xml?p=Oil/News&sub=Oil>

## **Update: U.S. Energy Secretary Disappointed Over OPEC's Second Output Cut**

U.S. Department of Energy Secretary Bodman, in Beijing on December 15, said that he is disappointed with OPEC's decision to further cut 500,000 b/d but is thankful that the cut won't take effect until February 2007.

<http://www.platts.com/Oil/News/8789227.xml?p=Oil/News&sub=Oil>

## **Natural Gas**

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### **Arcadia Gas to Commence Non-binding Open Season for 15.5 Bcf of Storage in Louisiana**

Arcadia Gas Storage (AGS) is starting a non-binding open season for a salt cavern natural gas storage service in North Louisiana. The company is offering a total of 15.5 Bcf of working gas storage capacity to be developed in three phases at its existing storage facility in Louisiana.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=7545016](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7545016)

## **Other News**

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Nothing to report.

## **Energy Prices**

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U.S. Oil and Gas Prices			
December 15, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.40	62.06	60.01
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.82	7.45	14.07

Source: Reuters

## **Energy Notes**

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### **Alternate Energy Holdings Planning Nuclear Plant in Idaho with Ethanol Production on Side**

<http://www.platts.com/Nuclear/News/6331718.xml?p=Nuclear/News&sub=Nuclear>

### **Xcel, NREL Show off Wind-powered Facility That Uses Resulting Electricity to Produce and Store Pure Hydrogen**

<http://biz.yahoo.com/bizj/061214/1391045.html?v=1>

## Fresno, CA, Group Signs Letter of Intent for New Nuke Plant Despite State Law Banning New Nuke Plants

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7543288](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7543288)

## NRC Questions Underestimation of Radioactivity in Test Simulation at Beaver Valley

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7542478](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7542478)

### Links

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#### ***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

#### ***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

#### ***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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